



JON M. HUNTSMAN, JR.
Governor

GARY R. HERBERT
Lieutenant Governor

State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil Gas and Mining

JOHN R. BAZA
Division Director

September 21, 2007

Mark Lopez
Unico, Inc.
8880 Rio San Diego Dr. 8th Floor
San Diego, CA 92108

Subject: Conditional Approval of Amendment to Commence Large Mining Operations, Unico, Inc., Deer Trail Mine, M/031/003, Task # 707, Piute County, Utah

Dear Mr. Lopez:

The Division has completed a review of the amendment to the large mine notice, received February 22, 2007 and updated on September 10, 2007. Prior to issuing final approval, we require that you provide us with:

1. Two copies of the complete and correctly formatted plan (replacement pages). When final approval is issued, one copy will be stamped "approved" and returned to you for your records;
2. An increase in the reclamation surety in the amount of \$88,600.00 (copy of cost estimate attached) for a total of \$247,200. Please contact Jed Pearson at (801) 538-5382 or bondcoordinator@utah.gov to obtain the appropriate reclamation surety forms.

Thank you for your cooperation and patience in completing this permitting process. If you have any questions regarding this letter, please contact me at (801) 538-5258 or Lynn Kunzler at 538-5310. In reply, please refer to permit number M/031/003.

Sincerely,

Susan M. White
Mining Program Coordinator
Minerals Regulatory Program

SMW :lk:pb

Attachment : Reclamation Surety Estimate

cc : Jed Pearson, DOGM

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New Mill Reclamation Cost Estimate

September 17, 2007

Unico, Inc.
Deer Trail Mine
M/031/003

Tasks	Units	# Units	Unit Cost	Total	Means Reference
Concrete Demolition					
Building Concrete, Heavy Reinforced	cy	78	125.00	9,750.00	02 41 13.17 5400
Building concrete Wire Reinforced	cy	136	5.95	809.00	02 41 16.17 0420
Footings (lt. Reinforced)	lf	314	6.70	2,104.00	02 41 16.17 0440
total				\$12,663.00	
Building Demo					
Steel Building	cf	137890	0.28	38,609.00	02 41 16.13 0012
Discount (no internal rooms)		less 50%		(19,304.50)	02 41 19.18 5000
total				\$19,305.00	
Building Debris Removal	cy	1000	10.20	10,200.00	02 41 19.18 0200
Dump fees	cy	1000	9.00	9,000.00	02 41 19.19 0200
total				\$38,505.00	
Earthwork (building footprint)					
Backfill	cy	600	8.00	4,800.00	G10 30 140 1600
Topsoil (load, haul, spread - 1ft.)	cy	200	8.00	1,600.00	G10 30 140 1600
total				\$6,400.00	
Mob/Demob					
Dozer, Loader	each	2	2000.00	4,000.00	DOGM Gen. Est.
Trucks	each	2	500.00	1,000.00	DOGM Gen. Est.
total				\$5,000.00	
Subtotal - itemized costs				\$62,568.00	
Supervision	10% of subtotal			6,256.80	
total				\$68,825.00	
Contingency	10% of total			6,882.50	
Total Current Cost				\$75,708.00	
Escalation (5-year)	3.2%/yr			12,913.74	
Total Estimate: (rounded to nearest \$100)				88,600.00	